Memo to Coal File:

RE: U. S. Ferto Corporation DOE/039/005 Sanpete County, Utah

On Friday, September 16, 1983, Jim Smith and David Darby met with Howard Turrel, the general manager of U. S. Ferto Corporation, at the U. S. Ferto Corporation processing plant in Spanish Fork. Mr. Turrel conducted a tour of the processing plant to illustrate how the products from the mining operations are utilized in manufacturing their fertilizer products.

We then drove to the minesite located in Dry Creek Drainage east of Milburn, Utah, on National Forest property. A privately-owned road leads to the National Forest. At the boundary of the National Forest, the Forest Service claims control of the road which continues up the canyon and is used as a fire road, and by cattlemen to drive their cattle to and from summer range. According to Mr. Turrel, the private section of the road was closed once to trespass, but through litigation it was determined that an easement had been established and the road had to be opened to public access.

The mine access road branches off the Forest Service Road on the north side of the canyon and ascends the slope to the mine pit. An excavated pad lies directly below the mine pit. This area will be used as a loadout.

It is estimated that the total disturbed area is less than five acres.

Two springs were observed on the property. Mr. Turrel explained that they emanated from old mine shafts. The one near the lower pad has been partially developed and flowed an estimated 30 gallons per minute. Mr. Turrel stated that the shaft from which the water emanates has since collapsed. The other spring near the mine pit flows an estimated five gallons per minute and shows signs of high iron content. It is diverted away from the disturbed area to a natural drainage. Both spring flow under the Forest Service road via culverts.

Mr. Turrel explained how they plan to mine the area, but could not give an exact time of development. Development production plans, he stated, depend on the demand of U. S. Fuel's fertilizer products.

Before leaving, I gave Mr. Turrel a copy of the regulations governing mined lands (Title 40-8, UCA 1953, amended to January 1, 1982), a MR-Form 4 (Declaration of Exemption) to be submitted for the mining operation and a MR-Form 1 (Notice of Intent to Commence Mining and Mining and Reclamation Plan) in the event that mining operations should expand at rates beyond two acres per year.

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## Determination of Exemption

Consideration was given to the amount of recent and past disturbance that had occurred to the property and to the time the mine has been in existence. It was determined that present disturbance, disturbance within the last 12 months, had not incorporated two acres or more. Hence, according to Title 40-8-4(6), U. S. Ferto met the criteria to not establish them as a mining operation.

Not affecting our decision, but aiding in the concern of disturbance to the land was the fact that the mining operation is observed and bonded by the U. S. Forest Service. Their role will ensure that mining will proceed in a proper manner and reclamation will take place.

DAVID W. DARBY RECLAMATION HYDROLOGIST

DWD/btb

cc: J. Smith, DOGM